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Voluntary - Public

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GAIN Report Number: MX9066

Mexico

Post: Mexico

SE Announces Third Allocation of Sugar

Report Categories:

Agriculture in the Economy

Sugar

Policy and Program Announcements

Trade Policy Monitoring

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Report Highlights:

On September 18, 2009, the Secretariat of Economy (SE) announced in the *Diario Oficial* (Federal Register) that an additional 300,000 MT of refined sugar (318,000 MT raw value) can be imported from all countries under a preferential tariff rate quota. This is the third announcement in the *Diario Oficial* to allow additional sugar to enter. Due to lower production for 2009, Mexico needs to increase their domestic supplies in order to maintain a stable market. Under this decree, Mexico can import additional sugar through December 31, 2009.

General Information:

The following report summarizes a decree from the Secretariat of Economy (SE), which allows Mexico to import an additional 300,000 MT of refined sugar. The decree was published in Mexico's *Diario Oficial* (Federal Register) on September 18, 2009.

Disclaimer: This summary is based on a cursory review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: *Decree that Announces the Quota and Allocation Mechanism to Import Sugar in 2009*

Important Dates:

1. Publication Date: September 18, 2009
2. Enforcement Date: September 18, 2009

Summary:

On September 18, 2009, the SE announced the third sugar import tariff-quota for 300,000 MT of sugar (318,000 MT raw value) classified under the following H.T.S. codes: 1701.99.01, 1701.99.02, and 1701.99.99. Sugar can be imported from all countries until December 31, 2009, and are subject to the same specific tariff as reported in MX9049.

As in the previous quota announcements, Nicaragua receives a 10 percent allocation of the total amount, which means a maximum of 270,000 MT can be imported from any country under a specific tariff rate quota (30,000 can be imported duty-free from Nicaragua). However, this allocation will not follow the open bid process that the other allocations used. Instead, the SE will establish a mechanism that will directly assign the quota to the participants who bid on September 2, 2009, but did not receive an allocation at that time. The rules for how that process will work were described in this announcement as well as in the auction publication on September 7, 2009.

As previously reported, the second bid for 150,000 MT (159,000 MT raw value) of refined sugar will also take place today (report MX9056). This is a public bid available to all interested parties that are established in Mexico. This amount is part of the first quota (393,000 MT) that was announced on August 6, 2009. This means that a total of 450,000 MT of sugar (477,000 MT raw

value) will be bid on and assigned today by the SE.

Table 1 Mexico: Previous GAIN Reports on Sugar		
REPORT #	NAME OF THE REPORT	DATE
MX9049	Mexico to Allow Extra Sugar to Enter	8/6/09
MX9050	SE to Change the Sugar Temporary Export Permits Program	8/13/09
MX9055	Economia Announces First Bid Date for Sugar Imports	9/1/09
MX9056	Economia Announces Second Bid Date for Sugar Imports	9/1/09
MX9057	SE to Change the Sugar Temporary Export Permits Program	9/2/09
MX9064	SE to Allow Additional Standard Sugar to Enter	9/11/09